

Article - Labor and Employment

[\[Previous\]](#)[\[Next\]](#)

§9–1004.

(a) If the Fund pays compensation to a covered employee or the dependents of a covered employee, the Fund is subrogated to the rights of the uninsured employer under this title.

(b) If the Fund and the uninsured employer both have paid compensation to or on behalf of a covered employee or the dependents of a covered employee, the Fund shall apply any money that it recovers from a third party:

(1) first, to repayment of the award paid by the Fund;

(2) second, to any unsatisfied demand for security and to assessments imposed against the uninsured employer under this subtitle; and

(3) finally, to the uninsured employer.

(c) If the Fund and the uninsured employer both have paid compensation to or on behalf of a covered employee or the dependents of a covered employee, and the Fund recovers money from a third party exceeding the amount of compensation awarded to the covered employee or the dependents and the reasonable and necessary expenses incurred in making the recovery, the Fund shall:

(1) apportion the excess amount between the covered employee or the dependents and the Fund; and

(2) use the balance to:

(i) first, reimburse the Fund for its reasonable and necessary expenditures in making the recovery;

(ii) second, repay any award paid by the Fund;

(iii) third, satisfy any unsatisfied demand for security or assessments imposed against the uninsured employer under this subtitle; and

(iv) finally, return the remainder to the uninsured employer.

[\[Previous\]](#)[\[Next\]](#)